

**PROVIDENCE HOUSING AUTHORITY
BOARD OF COMMISSIONERS
REGULAR MEETING: Thursday, January 23, 2014; 5:00 p.m.**

Codding Court

144 Dodge Street

Providence, RI 02907

CALL TO ORDER

Chairman Nicolas Retsinas called the meeting to order at 5:02 p.m.

ROLL CALL

Present:

Nicolas Retsinas
Thomas Ryan
John Igliozzi
Ricardo Patino
Hilary Silver
JT Taylor
Dorothy Waters

Absent:

Dolores Cascella
Roger Giraud
Kevin Jackson
Nicholas Narducci

Seven members were present constituting a quorum to conduct business.

APPROVAL OF MINUTES

A motion was made by Commissioner Taylor seconded by Commissioner Patino to accept and approve the annual/regular meeting minutes of 12/10/13. The minutes were approved with a unanimous voice vote.

RESIDENT'S COMMENTS

Commissioner Waters presented the Executive Director, Paul Tavares, with a birthday cake to thank him for all that he has done for the PHA.

Chairman's Report

Chairman Retsinas commented that 2014 will be a challenging year. This year marks the 75th anniversary of the PHA and although we should be proud of all we have accomplished, as housing gets older, the economy being sluggish and the federal budget becoming more challenging, there is still a lot of work to do going forward.

INTERIM EXECUTIVE DIRECTOR'S REPORT

Director Paul Tavares commended the Facilities Maintenance staff and crew on their efforts of addressing the challenges the extreme weather has presented to the PHA, including but not limited to, heating issues, broken pipes, and snow removal. He also thanked George Lindell and Gary Sprague who worked diligently in resolving all the challenges that came before them.

Secondly, the Director commented on the OMNIBUS Appropriations Act. Congress has reversed the sequester cuts from 2013 which is positive news. However, we are still below the 2010 funding levels for public housing. As for Section 8 Voucher Program, HUD was funding us at 94%, that amount will be restored to 100% on the HAB side, and on the Administrative side, we were funded at 68.5% hoping to get back up to 75%. On the public housing side, we were funded at 78.5% hoping to get back to at least 86%. The bigger challenge is with CNI; it was initially funded at \$114 million and has been reduced in the federal budget to \$90 million.

Finally, in regards to the Affordable Care Act (ACA), in complying with the ACA, 16 eligible employees were identified as not having health insurance. Health care insurance was offered to all 16 employees of which 9 accepted.

COMMITTEE REPORTS:

- Budget and Finance: (Comm. Giraud)
- Resident Services: (Comm. Silver)
- Capital Improvements: (Comm. Cascella)
- Executive Committee: (Chair Retsinas)

Budget & Finance: Vice Chairman Ryan commented that the public housing and operating side of the budget figures are solid. As for the Section 8 side, we are cutting into the reserve on the HAP payments paid to private landlords. He feels that with monitoring of the budget, the reserve would be exhausted sometime in April. With the Resolution from Washington, funding has been restored to January 1, 2014. The Vice Chair commended Linda Poole, Director of Finance and the Executive Director for their diligence with the accounting. We are going to be retro actively funded January 1, 2014 covering the deficit that the PHA is running, leaving money in the budget for April 2014. Chairman Retsinas thanked the Vice Chairman for keeping the PHA abreast of what is happening in Washington.

Resident Services: Commissioner Silver commented, the Family Self Sufficiency Program results have some quantitative results from their graduates earning approximately \$10,000 more in their annual salary after attending the program. The Smoking Cessation Program is continuing with State money, and the Department of Elderly Affairs awarded the PHA a \$14,000 grant toward housing security.

Capital Improvements: Commissioner Patino reiterated on the excellent job Facilities Maintenance did during the cold weather with all the challenges they encountered.

RESOLUTIONS:

Director Tavares stated, there are three resolutions for board consideration. The first is the approval of the restatement of the Mutual of America Retirement Plan (MOA). Having to do with our defined contribution plan making sure that we are in compliance with IRS and other regulations. He explained there were some documentation in the past that were not on file or executed, yet there were resolutions in past board binders that previous authorities had voted on. This resolution is to rectify that matter.

The second authorizes the Executive Director to initiate and sign documents. The IRS has certain requirements that if we fill out different forms and apply in a different fashion, we may be exempt from doing some of those, and may be a better fit for us. It would authorize the Executive Director to initiate and sign the documents.

Director Tavares introduced General Counsel, Mark Ouellet, who created the two resolutions, to explain their significance. Mark explained resolution #4221 is to ensure all the documentation necessary is in order. The second resolution #4222 pertains to Mutual of America adopting the new plan that is up to date with all the necessary requirements. He explained, over the years MOA has made numerous revisions to the original plan and this resolution would make sure that all requirements have been addressed.

Chairman Retsinas questioned whether there are any risks or downside to signing the documents. Mark stated at some point we may be required to seek a determination from the IRS as to the compliance of the Plan that all requirements have been applied to the original plan. If certain documentation is not in place, HUD can impose a \$350

fine for non-compliance. If we would need to seek a determination through the IRS, it would need to be noted; Adopted Plan in Place.

Finally, Director Tavares addressed a third resolution to approve a master developer and authorize the Executive Director to negotiate a Memorandum of Understanding (MOU). The Director introduced Gale Epp of EJP Consulting Group, LLP, who gave a presentation on the overall CNI Planning Grant update and the process of selecting the Master Developer.

Chairman Retsinas addressed the Board to consider authorizing the PHA to take the next step in continuing this journey. He stressed how critical it is for the board to take this step in passing the resolution otherwise, there will not be another chance.

The Commissioners had numerous concerns as stated by Commissioners Patino, Silver Taylor and Igliozi. Gayle Epp and Director Tavares responded to some of their concerns and to the process. Vice Chairman Ryan spoke in favor of the resolution.

Resolutions:

#4221- Approval of Restatement of the Mutual Of America Retirement Plan

#4222- Approval of Adoption of the Mutual Of America Retirement Plan

A motion was made by Commissioner Patino and seconded by Commissioner Waters.

A roll call vote was taken. The vote was unanimous being 7-0, the resolutions were approved.

#4223- CNI – Master Developer Approval and Authorization to Negotiate MOU

After the lengthy discussion, a motion was made by Commissioner Ryan Seconded by Commissioner Taylor and amended by Commissioner Silver that the board have a special meeting to engage with the chosen developer for their vision of the transformation plan, and provide the board with a better understanding and opportunity to voice their concerns. Director Tavares called the roll, six members voted in favor: Commissioners Waters, Taylor, Silver, Igliozi, Vice Chairman Ryan and Chairman Retsinas. Commissioner Patino abstained. The resolution was approved.

OLD BUSINESS

None

NEW BUSINESS

Chairman Retsinas asked Director of Special Projects, Melissa Sanzaro, if the presentation on Special Projects could be deferred until the next board meeting.

ADJOURNMENT

There being no further business, Chairman Retsinas accepted a motion to adjourn from Commissioner Igliozi, seconded by Commissioner Waters. Said motion passed with a unanimous voice vote.

The meeting adjourned at 6:26 p.m.

Minutes Submitted and Approved By:

Lisa Cancelliere
Recording Secretary

Paul Tavares
Interim Executive Director